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IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF ARKANSAS

U.S. DISTRICT COURT
WESTERN DISTRICT ARKANSAS
FILED

3 U.S. CLERK'S OFFICE

TEXARKANA DIVISION

FEB 20 2008

4 BY CHRIS A. JOHNSON, CLERK

5 DEPUTY CLERK

EBAY INC.,

6 Plaintiff,

7 vs.

8 IDT CORP., IDT TELECOM, INC.,
9 UNION TELECARD ALLIANCE, LLC,
and NET2PHONE, INC.,

JURY TRIAL DEMANDED

10 Defendants.

11 Case No.

12 08-4015

13 COMPLAINT FOR PATENT INFRINGEMENT

14 Plaintiff eBay Inc. ("eBay") alleges as follows:

15 PARTIES

16 1. eBay is a corporation organized and existing under the laws of Delaware, having a
17 principal place of business at 2145 Hamilton Avenue, San Jose, California 95125. eBay is a
18 pioneer of new communities built on commerce primarily directed to online marketplaces for the
19 sale of goods and services, online payment services, and online telecommunications offerings.

20 2. On information and belief, IDT Corp. ("IDT") is a corporation organized and
existing under the laws of Delaware, having a principal place of business at 520 Broad Street,
21 Newark, New Jersey 07102. IDT is a multinational holding company, which, among other things,
22 provides telecommunications services and products worldwide, including without limitation
23 prepaid and rechargeable calling cards. IDT conducts business throughout the United States,
24 including in the Western District of Arkansas.

25 3. On information and belief, IDT Telecom, Inc. ("IDT Telecom") is a corporation
organized and existing under the laws of Delaware, having a principal place of business at 520
26 Broad Street, Newark, New Jersey 07102. IDT Telecom is a subsidiary of IDT, through which,
27

1 among other things, IDT provides telecommunications services and products worldwide, including
2 without limitation prepaid and rechargeable calling cards. IDT Telecom conducts business
3 throughout the United States, including in the Western District of Arkansas.

4 4. On information and belief, Union Telecard Alliance, LLC ("UTA") is a limited
5 liability company organized and existing under the laws of Delaware, having a principal place of
6 business at 44 Cherry Valley Avenue, West Hempstead, New York 11552. UTA is a subsidiary of
7 IDT. UTA is IDT's largest distributor in the United States of prepaid and rechargeable calling
8 cards. UTA conducts business throughout the United States, including in the Western District of
9 Arkansas.

10 5. On information and belief, Net2Phone, Inc. ("Net2Phone") is a corporation
11 organized and existing under the laws of Delaware, having a principal place of business at 520
12 Broad Street, Newark, New Jersey 07102. Net2Phone is a subsidiary of IDT, though which,
13 among other things, IDT provides telecommunications services and products worldwide, including
14 without limitation prepaid and rechargeable calling cards. Net2Phone conducts business
15 throughout the United States, including in the Western District of Arkansas.

16 **JURISDICTION AND VENUE**

17 6. This is an action for patent infringement arising under the patent laws of the United
18 States of America, 35 U.S.C. § 1, et seq., including 35 U.S.C. § 271. This Court has subject
19 matter jurisdiction over the matters pleaded herein under 28 U.S.C. §§ 1338(a) and 1331 in that
20 this is a civil action arising out of the patent laws of the United States of America.

21 7. This Court has personal jurisdiction over IDT, IDT Telecom, UTA and Net2Phone
22 (collectively, "Defendants") because, among other reasons, Defendants have done business in the
23 this District, have committed and continue to commit acts of patent infringement in this District,
24 and have harmed and continue to harm eBay in this District, by, among other things, using,
25 selling, and offering for sale infringing products and services in this District. eBay is informed
26 and believes, and thereon alleges, that these products and services include certain
27 telecommunications products and services, including without limitation prepaid and rechargeable
28 calling cards such as, for example, PennyTalk calling cards.

1 8. Venue is proper in the Western District of Arkansas pursuant to 28 U.S.C.
2 §§ 1400(b) and 1391(b)–(d) because, among other reasons, Defendants are subject to personal
3 jurisdiction in this District, have committed acts of infringement in this District, and are subject to
4 suit in this District.

CLAIM FOR RELIEF AGAINST DEFENDANTS

FOR PATENT INFRINGEMENT

(U.S. Patent No. 6,067,350)

9. eBay incorporates by reference paragraphs 1 through 8 as if set forth here in full.

9 10. eBay is the owner of the entire right, title, and interest in and to U.S. Patent No.
10 6,067,350 (the "350 patent"), entitled "Long Distance Telephone Communication System and
11 Method," which was duly issued on March 23, 2000 in the name of inventor Alistair T. Gordon
12 and is now assigned to eBay. A copy of the '350 patent is attached as Exhibit A hereto.

13 11. Pursuant to Fed. R. Civ. P. 11(b)(3), eBay certifies that, to the best of its
14 knowledge, information, and belief, formed after an inquiry reasonable under the circumstances, it
15 has evidentiary support that or will likely be able to show evidentiary support after a reasonable
16 opportunity for further investigation or discovery that:

(a) In violation of 35 U.S.C. § 271, Defendants have been and are currently directly infringing, contributorily infringing, and/or inducing infringement of the '350 patent by, among other things, making, using, offering to sell, selling, and/or importing, without authority or license from eBay, various telecommunications services and products, including without limitation calling cards such as, for example, PennyTalk calling cards.

(b) Unless enjoined, Defendants will continue to infringe the '350 patent, and eBay will suffer irreparable injury as a direct and proximate result of Defendants' conduct.

(c) eBay has been damaged by Defendants' conduct, and, until an injunction issues, will continue to be damaged in an amount yet to be determined.

PRAYER FOR RELIEF

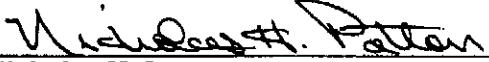
WHEREFORE, eBay prays for relief as follows:

1. For a judicial determination that the '350 patent is valid and enforceable;
 2. For a judicial determination that Defendants have directly infringed the '350 patent;
 3. For a judicial determination that Defendants have induced the infringement of the '350 patent;
 4. For a judicial determination that Defendants have contributorily infringed the '350 patent;
 5. For an order enjoining Defendants and their affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns, and all those acting for them and on their behalf, or acting in concert with them directly or indirectly, from further acts of infringement of the '350 patent;
 6. For damages resulting from infringement of the '350 patent by Defendants in an amount to be determined at trial;
 7. For an award of supplemental damages and interest on all damages;
 8. For a declaration that this case is exceptional pursuant to 35 U.S.C. § 285 and an award of attorneys' fees and costs; and
 9. For an award of such other and further relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff eBay hereby demands trial by jury on all issues.

1 Respectfully submitted,

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18 ATTORNEY FOR PLAINTIFF
19 EBAY, INC.

20 Dated: February 20, 2008

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